



El Segundo Unified School District

641 SHELDON STREET • EL SEGUNDO, CALIFORNIA 90245
(310) 615-2650 • FAX (310) 640-8272

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

December 5, 2012

The Honorable Board of Supervisors
County of Los Angeles
Room 383 Hall of Administration
500 West Temple Street
Los Angeles, California 90012

49 December 18, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Re: *El Segundo Unified School District Request for Board to Levy Taxes and to Direct the Auditor-Controller to Place Taxes on Tax Roll*

Dear Supervisors:

On October 23, 2012, the governing board of the El Segundo Unified School District (the "District") adopted a resolution (the "District Resolution") authorizing the issuance and sale of the District's General Obligation Refunding Bonds, 2012 Series A (Federally Taxable) (the "Series A Bonds") and General Obligation Refunding Bonds, 2012 Series B (Tax-Exempt) (the "Series B Bonds," and with the Series A Bonds, the "Bonds") in the aggregate principal amount not to exceed \$19,800,000. The District Resolution has not been modified, amended, supplemented, rescinded or repealed, and remains in full force and effect as of the date hereof. An executed copy of the District Resolution is enclosed herewith for submission to the Los Angeles County Board of Supervisors. The Bonds were subsequently sold on November 15, 2012 in the aggregate principal amount of \$18,975,000.

The District formally requests, in accordance with applicable law, that the Los Angeles County Board of Supervisors (the "Board of Supervisors") adopt the enclosed resolution (the "Resolution") to levy the appropriate taxes and direct the County Auditor-Controller to place these taxes on the tax roll every year according to the debt service schedule also enclosed herewith.

IT IS THEREFORE RECOMMENDED THAT:

1. The Board of Supervisors adopt the enclosed Resolution (two originals have been provided to the County Counsel's office).
2. After the Board has taken action on this letter, the District requests that the Executive Officer-Clerk of the Board furnish (2) certified copies of the Resolution to:

Robert J. Whalen, Esq.
Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660

And send one (1) copy of the Resolution to each of the following:

Los Angeles County Treasurer and Tax Collector
ATTN: John Patterson Assistant Director – Public Finance
500 W. Temple Street, Room 432
Los Angeles, CA 90012

*Dedicated to providing students and the community
with an optimum learning environment that prepares educated, productive,
compassionate citizens to meet the challenges of a global society in the 21st Century.*

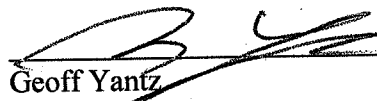
Los Angeles County Auditor Controller
ATTN: Jackie Guevarra
500 W. Temple Street, Room 603
Los Angeles, CA 90012

Los Angeles County Counsel
ATTN: Cammy C. DuPont, Esq.
500 W. Temple Street, Room 648
Los Angeles, CA 90012

Yours very truly,

EL SEGUNDO UNIFIED SCHOOL DISTRICT

By


Geoff Yantz

Its:

Superintendent

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA AUTHORIZING THE LEVY OF TAXES FOR GENERAL OBLIGATION REFUNDING BONDS OF THE EL SEGUNDO UNIFIED SCHOOL DISTRICT, DESIGNATING THE PAYING AGENT THEREFOR AND DIRECTING THE COUNTY AUDITOR-CONTROLLER TO MAINTAIN TAXES ON THE TAX ROLL

WHEREAS, a duly called election was held in the El Segundo Unified School District, Los Angeles County, State of California (hereinafter referred to as the "District"), on November 4, 1997 (the "Authorization") and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite two-thirds vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$24,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District;

WHEREAS, the Board of Supervisors of the County of Los Angeles (the "County Board") previously issued under the Authorization on behalf of the District \$4,788,184.20 original principal amount of El Segundo Unified School District (Los Angeles County, California) General Obligation Bonds, Election of 1997, Series 2002D (the "2002 Bonds");

WHEREAS, the District previously issued, pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law") and a resolution adopted by the District on April 2, 2004, its General Obligation Refunding Bonds, Series 2004 in the aggregate principal amount of \$23,635,630.70 (the "2004 Bonds," and with the 2002 Bonds, the "Prior Bonds");

WHEREAS, the County of Los Angeles (the "County") has levied taxes on the 2012-13 tax roll in an amount sufficient to fulfill the requirements of the debt service schedule for the 2002 Bonds and the 2004 Bonds;

WHEREAS, the Board of Education of the District (the "District Board") has determined in a Resolution adopted on October 23, 2012 (the "District Resolution") to issue and sell its General Obligation Refunding Bonds, 2012 Series A (Federally Taxable) (the "Series A Bonds") and its General Obligation Refunding Bonds, 2012 Series B (Tax-Exempt) (the "Series B Bonds," and with the Series A Bonds, the "Bonds") in an amount not to exceed \$19,800,000 to refund all or a portion of the outstanding Prior Bonds pursuant the Bond Law;

WHEREAS, the Bonds were sold pursuant to the terms of a Bond Purchase Contract entered into on November 15, 2012 with the Series A Bonds being sold in the aggregate principal amount of \$18,130,000 to refund a portion of the 2004 Bonds, and the Series B Bonds being sold in the aggregate principal amount of \$845,000 to refund a portion of the 2002 Bonds;

WHEREAS, in the District Resolution, the District has covenanted to request this Board of Supervisors (the "County Board") to levy taxes in an amount sufficient to pay the principal of and interest on the Bonds when due, and to direct the County Auditor-Controller (the "Auditor-Controller") to place on its 2013-14 tax roll, and all subsequent tax rolls, taxes sufficient to fulfill the

requirements of the debt service schedule for the Bonds that will be provided to the Auditor-Controller by the District following the sale of the Bonds; and

WHEREAS, the District has requested the County Treasurer and Tax Collector (the "Treasurer") be appointed as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds;

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Levy of Taxes. That this Board levy taxes in an amount sufficient to pay the principal of and interest on the Bonds.

SECTION 2. Preparation of Tax Roll. That the Auditor-Controller is hereby directed to maintain on its 2013-14 tax roll, and all subsequent tax rolls, taxes in an amount sufficient to fulfill the requirements of the debt service schedule for the Bonds, which will be provided to the Auditor-Controller by the District following the sale of the Bonds.

SECTION 3. Paying Agent. That the Treasurer act as Paying Agent for the Bonds. The Treasurer is authorized to contract with a third party to perform the services of Paying Agent.

SECTION 4. Effective Date. That this Resolution shall take effect immediately upon its passage.

The foregoing resolution was adopted on the 18th day of December, 2012, by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



APPROVED AS TO FORM:

JOHN F. KRATTLI
COUNTY COUNSEL

By: 
Principal Deputy County Counsel

SACHI A. HAMAI, Executive Officer-Clerk of the
Board of Supervisors of the County of Los Angeles

By: 
DEPUTY

RESOLUTION NO. 7/2012-2013

RESOLUTION OF THE BOARD OF EDUCATION OF EL SEGUNDO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF THE EL SEGUNDO UNIFIED SCHOOL DISTRICT (LOS ANGELES COUNTY, CALIFORNIA) GENERAL OBLIGATION REFUNDING BONDS IN ONE OR MORE SERIES PURSUANT TO CERTAIN PROVISIONS OF THE GOVERNMENT CODE IN A PRINCIPAL AMOUNT NOT TO EXCEED \$19,800,000 AND APPROVING CERTAIN OTHER MATTERS RELATED THERETO

WHEREAS, a duly called general obligation bond election was held in the El Segundo Unified School District (the "District"), Los Angeles County (the "County"), State of California, on November 4, 1997 (the "1997 Election") and thereafter canvassed pursuant to law;

WHEREAS, at the 1997 Election, there was submitted to and approved by the requisite two-thirds vote of the qualified electors a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$24,000,000 payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization");

WHEREAS, pursuant to the Authorization, the County issued the \$4,788,184.20 El Segundo Unified School District (Los Angeles County, California) General Obligation Bonds, Election of 1997, Series 2002D (the "2002D Bonds");

WHEREAS, the District previously issued its General Obligation Refunding Bonds, Series 2004 (the "2004 Bonds," and with the 2002D Bonds, the "Refunded Bonds") for the purpose of refunding certain of its previously outstanding general obligation bonds;

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"), the District is authorized to issue refunding bonds to refund all or a portion of the Refunded Bonds that remain outstanding; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation refunding bonds of the District, and the indebtedness of the District, including the proposed issue of refunding bonds, is within all limits prescribed by law;

NOW, THEREFORE, THE BOARD OF THE EL SEGUNDO UNIFIED SCHOOL DISTRICT DOES HEREBY, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Purpose of Bonds. To refund all or a portion of the outstanding Refunded Bonds and to pay all necessary legal, financial, and contingent costs in connection therewith, the District authorizes the issuance of its 2012 General Obligation Refunding Bonds Series A (Federally Taxable) and its 2012 General Obligation Refunding Bonds Series B (Tax-Exempt) (the "Refunding Bonds") in an amount not to exceed \$19,800,000. Additional costs authorized to be paid from the proceeds of the Bonds are all of the authorized costs of issuance set forth in Section 53550(e) and (f) and Section 53587 of the Act as hereinafter defined.

Section 2. Terms and Conditions of Sale. Pursuant to Government Code Section 53583(c)(2)(B) the Refunding Bonds shall be sold in one or more series at a negotiated sale to Piper Jaffray & Co. upon the direction of the Superintendent of the District (the "Superintendent") or the Chief Business Officer of the District (the "Chief Business Officer"). The Refunding Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract for each series, as described below.

Section 3. Engagement of Professional Services. The Board of Education hereby approves the engagement of the firm of Stradling Yocca Carlson & Rauth, a Professional Corporation ("Bond Counsel") to serve as bond counsel to the District, in connection with the issuance of the Refunding Bonds. All fees and expenses payable to such firm shall be contingent upon and be payable only from proceeds of the Refunding Bonds.

Section 4. Approval of Bond Counsel Agreement. The form of the Bond Counsel Agreement (the "Bond Counsel Agreement") by and between the District and Bond Counsel, substantially in the form on file with the Clerk of the Board, is hereby approved, and each of the Authorized Officers (defined below), acting alone, is hereby authorized and requested to execute and deliver such Bond Counsel Agreement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the Bond Counsel Agreement may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. Approval of Bond Purchase Contract. The form of the Bond Purchase Contract (the "Purchase Contract") by and between the District and Piper Jaffray & Co. (the "Underwriter"), substantially in the form on file with the Clerk of the Board is hereby approved, and each of the Authorized Officers, acting alone, is hereby authorized to execute and deliver a Purchase Contract for each series of Refunding Bonds, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the Purchase Contract may approve, such approval to be conclusively evidenced by the execution and delivery thereof by an Authorized Officer; provided, however, that the Underwriter's discount, excluding bond insurance premium (if any) and original issue discount or premium on the Refunding Bonds sold pursuant to each Purchase Contract, shall not exceed 1.0% of the aggregate of principal amount of Refunding Bonds sold and the Refunding Bonds shall be issued only if the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds does not exceed the total net interest cost to maturity plus the principal amount of the Refunded Bonds to be defeased with such series of Refunding Bonds. Each Authorized Officer is further authorized to determine the specific maturities of Refunded Bonds to be refunded, the principal amount of the Refunding Bonds to be sold pursuant to each Purchase Contract, up to \$19,800,000 and to enter into and execute each Purchase Contract with the Underwriter, if the conditions set forth in this Resolution are satisfied.

Section 6. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them, unless otherwise provided in the Purchase Contract:

(a) "Act" means Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code.

(b) "Authorized Officers" means the President of the Board of Education of the District, the Superintendent, the Chief Business Officer, and their written designees, or any other person designated as an Authorized Officer of the District by a certificate of the District signed by the President of the Board of Education, Superintendent or Chief Business Officer.

- (c) *"Board"* means the Board of Education of the District.
- (d) *"Bond Insurer"* means any insurance company which issues a municipal bond insurance policy insuring the payment of Denominational Amount and the Principal of and interest on any Refunding Bonds.
- (e) *"Bond Obligation"* means, from time to time as of the date of calculation, the Principal Amount of the Refunding Bonds.
- (f) *"Bond Payment Date"* means, with respect to each series of Refunding Bonds, the dates as set forth in the Purchase Contract, commencing on the date set forth in the Purchase Contract with respect to the interest on each series of the Refunding Bonds and, with respect to the principal payments on each series of the Refunding Bonds, the dates set forth in the Purchase Contract.
- (g) *"Bond Register"* means the listing of names and addresses of the current registered owners of the debt, as maintained by the Paying Agent in accordance with Section 9 hereof.
- (h) *"Business Day"* means a day which is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.
- (i) *"Code"* means the Internal Revenue Code of 1986, as amended.
- (j) *"COI Custodian"* means U.S. Bank National Association, as custodian for the costs of issuance for the Refunding Bonds.
- (k) *"Costs of Issuance"* means all of the costs of issuing the Refunding Bonds, including, but not limited to, all printing and document preparation expenses in connection with this Resolution, the Refunding Bonds and any Official Statement pertaining to the Refunding Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; underwriter's fees; underwriter's counsel fees; rating agency fees; auditor's fees; legal fees and expenses of counsel with respect to the financing; the initial fees and expenses of the Paying Agent; fees for credit enhancement relating to the Refunding Bonds; and other fees and expenses incurred in connection with the issuance of the Refunding Bonds, to the extent such fees and expenses are approved by the District.
- (l) *"County"* means County of Los Angeles, California.
- (m) *"Date of Issuance"* means the date on which each series of the Refunding Bonds is issued by the District.
- (n) *"Depository"* means the securities depository acting as Depository pursuant to Section 7(c) hereof.
- (o) *"District"* means the El Segundo Unified School District.

(p) “DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Refunding Bonds.

(q) “Escrow Agreement” means an Escrow Agreement relating to the Refunded Bonds by and between the District and U.S. Bank National Association, as escrow bank, or any successor escrow bank thereunder.

(r) “Escrow Bank” means U.S. Bank National Association, or such other institution appointed by the District as set forth in a certificate of an Authorized Officer.

(s) “Escrow Fund” means the Escrow Fund established under an Escrow Agreement.

(t) “Federal Securities” means (i) State and Local Government Series issued by the United States Treasury (“SLGS”); (ii) United States Treasury bills, notes, and bonds, as traded on the open market; (iii) Zero Coupon United States Treasury Bonds; and (iv) Refcorp Interest Strips (stripped by the Federal Reserve Bank of New York).

(u) “Information Services” means national information services that disseminate securities redemption notices; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the District and the Paying Agent or as the Paying Agent may select.

(v) “Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 7(c) hereof.

(w) “Official Statement” means the Official Statement prepared by the District to be delivered to purchasers of the Refunding Bonds.

(x) “Outstanding,” when used with reference to the Refunding Bonds, means, as of any date, Refunding Bonds theretofore issued or thereupon being issued under this Resolution except:

(i) Refunding Bonds canceled at or prior to such date;

(ii) Refunding Bonds in lieu of or in substitution for which other refunding bonds shall have been delivered pursuant to this Resolution; or

(iii) Refunding Bonds for the payment or redemption of which funds or Federal Securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Refunding Bonds), in accordance with Section 19 of this Resolution.

(y) “Owner” means the registered owner of a Refunding Bond as set forth on the registration books maintained by the Paying Agent pursuant to Section 9 hereof.

(z) “Participants” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(aa) *"Paying Agent"* means the Treasurer and Tax Collector of the County, or such other financial institution appointed by the Superintendent, or any successor thereto, serving as the authenticating agent, bond registrar, transfer agent and paying agent.

(bb) *"Principal"* or *"Principal Amount"* means, with respect to any Refunding Bond, the principal or principal amount thereof.

(cc) *"Purchase Contract"* means the Bond Purchase Contract by and between the District and the Underwriter relating to each series of the Refunding Bonds.

(dd) *"Record Date"* means, with respect to each series of the Refunding Bonds, the close of business on the fifteenth day of the month preceding each Bond Payment Date for such series, whether or not such day is a Business Day.

(ee) *"Refunded Bonds"* means the outstanding 2002D Bonds and the outstanding 2004 Bonds designated in each Escrow Agreement as the Refunded Bonds to be refunded with a portion of the proceeds of the Refunding Bonds.

(ff) *"Refunding Bonds"* means the 2012 General Obligation Refunding Bonds issued pursuant to the terms of this Resolution.

(gg) *"Refunding Term Bonds"* means those Refunding Bonds for which mandatory sinking fund redemption dates have been established in accordance with the Purchase Contract, as applicable.

(hh) *"Securities Depositories"* means The Depository Trust Company, 55 Water Street, New York, New York 10041, Attn: Redemption Area, Facsimile transmission: (212) 855 7232, (212) 855 7233, or such other securities depositories as are designated by the District or the Paying Agent and whose business is to perform the functions of a clearing agency with respect to exempted securities, as defined in Section 3(a)(12) of the Securities Exchange Act of 1934, and who is registered as a clearing agency under Section 17A of the Act;

(ii) *"Tax Certificate"* means the certificate by that name executed by the District on the date of issuance of a series of Tax-Exempt Bonds.

(jj) *"Tax-Exempt Bond"* means any Refunding Bond the interest on which is intended to be excluded from gross income for federal income tax purposes under Section 103 of the Code.

(kk) *"Transfer Amount"* means, with respect to any Outstanding Refunding Bond, the aggregate Principal Amount thereof.

(ll) *"Underwriter"* means Piper Jaffray & Co.

Section 7. Terms of the Refunding Bonds.

(a) Denomination, Interest, Dated Dates. The Refunding Bonds shall be issued in fully registered form as to both principal and interest, in the denominations of \$5,000 Principal Amount or any integral multiple thereof.

The Refunding Bonds of a series shall mature in the years, be issued in the amounts and bear interest at the rates set forth in the Purchase Contract for such series. Interest on Refunding Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Each Refunding Bond shall be dated its Date of Issuance (or such other date designated in the Purchase Contract) and shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from the Date of Issuance (or such other date designated in the Purchase Contract) provided, however, that, if at the time of registration of any Refunding Bond interest with respect thereto is in default, interest with respect thereto shall be payable from the Bond Payment Date to which interest has previously been paid or made available for payment.

Principal and interest on the Refunding Bonds shall be paid in accordance with Section 10 below.

The last maturity date for a series of Refunding Bonds shall be not later than the last maturity date of the Refunded Bonds being refunded by such series.

(b) Redemption.

(i) Terms of Redemption. Each series of Refunding Bonds shall be subject to redemption prior to maturity as provided in the Purchase Contract for such series.

(ii) Selection of Refunding Bonds for Redemption. Whenever provision is made in this Resolution and the related Purchase Contract for the redemption of Refunding Bonds and less than all Outstanding Refunding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Refunding Bonds for redemption in accordance with such written instructions. Within a maturity, the Paying Agent shall select Refunding Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Refunding Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

(iii) Notice of Redemption. When redemption is authorized or required pursuant to Section 7(b)(i) hereof, the Paying Agent shall give notice (a "Redemption Notice") of the redemption of the Refunding Bonds to the Depository in accordance with its required procedures, or if the Refunding Bonds are no longer held in book-entry form in accordance with Section 7(c) below, by first class mail, postage prepaid to each Owner of the Refunding Bonds at the addresses appearing on the Bond registration books, in each case at least 30 but not more than 60 days prior to the redemption date. In the case of any optional redemption, the Paying Agent shall mail a notice of redemption only following receipt of written instructions from the District to mail such notice. Such Redemption Notice shall specify: (a) the Refunding Bonds or designated portions thereof (in the case of redemption of the Refunding Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Refunding Bonds to be redeemed, (f) the numbers of the Refunding Bonds to be redeemed in whole or in part and, in the case of any Refunding Bond to be redeemed in part only, the Principal Amount of such Refunding Bond to be redeemed, and (g) the original issue date, interest

rate and stated maturity date of each Refunding Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Refunding Bond or portion thereof being redeemed the redemption price thereof, together with the interest accrued to the redemption date, and that from and after the redemption date, interest with respect thereto shall cease to accrue. Such Redemption Notice (and related notices) may state that no representation is made as to the accuracy or correctness of the CUSIP numbers printed thereon or on the Refunding Bonds.

In case of the redemption as permitted herein of all the Refunding Bonds of any one maturity then Outstanding, notice of redemption shall be given by mailing as herein provided, except that the Redemption Notice need not specify the serial numbers of the Refunding Bonds of such maturity.

Any Redemption Notice for an optional redemption of the Refunding Bonds delivered in accordance with this section may be conditional, and, if any condition stated in the Redemption Notice shall not have been satisfied on or prior to the redemption date: (i) the Redemption Notice shall be of no force and effect, (ii) the District shall not be required to redeem such Refunding Bonds, (iii) the redemption shall not be made, and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons in the manner in which the conditional Redemption Notice was given that such condition or conditions were not met and that the redemption was canceled.

Neither failure to receive nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Refunding Bonds.

(iv) Additional Notice. In addition to the Redemption Notice given pursuant to Section 7(b)(iii), further notice shall be given by the Paying Agent as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

Each further notice of redemption shall be sent at least thirty (30) days before the redemption date by registered or certified mail or overnight delivery service, or in such other manner as is approved by the recipient of such notice, to each of the Securities Depositories which are then in the business of holding substantial amounts of obligations of types comprising the Refunding Bonds and to one or more of the Information Services that disseminate notice of redemption of obligations similar to the Refunding Bonds or, alternatively, such notice may be delivered in accordance with the then-current guidelines of the Securities and Exchange Commission, or to such other securities depositories and services providing information on called bonds, or such securities depositories and services, as the District may designate in a certificate delivered to the Paying Agent.

Upon the payment of the redemption price of Refunding Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Refunding Bonds being redeemed with the proceeds of such check or other transfer.

(v) Partial Redemption of Refunding Bonds. Upon the surrender of any Refunding Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Refunding Bond or Refunding Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amount to the unredeemed portion of the Refunding Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(vi) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside in the District's Debt Service Fund, the Refunding Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Refunding Bonds to be redeemed as provided in Section 7(b) hereof, together with interest accrued to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Refunding Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Refunding Bonds shall be held in trust for the account of the Owners of the Refunding Bonds to be redeemed.

All Refunding Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 7 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Refunding Bond purchased by the District shall be cancelled by the Paying Agent.

(vii) Refunding Bonds No Longer Outstanding. When any Refunding Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Refunding Bonds or portions thereof, including any accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Refunding Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation on the applicable redemption date.

(c) Book-Entry System.

(i) Except as provided below, the registered owner of all of the Refunding Bonds shall be The Depository Trust Company, New York, New York ("DTC"). The Refunding Bonds shall be initially executed and delivered in the form of a single, fully registered Refunding Bond for each maturity within each series (which may be typewritten). Upon initial execution and delivery, as provided for herein, the ownership of such Refunding Bond shall be registered in the Bond Register in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, and its successors and assigns. Except as hereinafter provided, all of the outstanding Refunding Bonds shall be registered in the Bond Register in the name of the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to this Section 7(c) (the "Nominee"). Each Refunding Bond certificate shall bear a legend

substantially to the following effect: "UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

With respect to the Refunding Bonds registered in the Bond Register in the name of the Nominee, neither the District nor the Paying Agent shall have any responsibility or obligation to any broker-dealers, banks and other financial institutions from time to time for which the Depository holds Refunding Bonds as securities depository (the "Participant") or to any person on behalf of which such a Participant holds an interest in the Refunding Bonds. Without limiting the immediately preceding sentence, neither the District nor the Paying Agent shall have any responsibility or obligation (unless the District is at such time the Depository) with respect to (a) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Refunding Bonds, (b) the delivery to any Participant or any other person, other than an Owner of a Refunding Bond as shown in the Bond Register, of any notice with respect to the Refunding Bonds, including any notice of redemption, (c) the selection by the Depository and its Participants of the beneficial interests in the Refunding Bonds to be redeemed in the event the District redeems the Refunding Bonds in part, or (d) the payment to any Participant or any other person, other than an Owner of a Refunding Bond as shown in the Bond Register, of any amount with respect to Principal of or interest on the Refunding Bonds. The District and the Paying Agent may treat and consider the person in whose name each Refunding Bond is registered in the Bond Register as the holder and absolute owner of such Refunding Bond for the purpose of payment of Principal and interest with respect to such Refunding Bond, for the purpose of giving notices of redemption, if applicable, and other matters with respect to such Refunding Bond, for the purpose of registering transfers with respect to such Refunding Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Principal of and interest on the Refunding Bonds only to or upon the order of the respective Owner of the Refunding Bond, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of Principal of and interest on the Refunding Bonds to the extent of the sum or sums so paid. No person other than an Owner of a Refunding Bond, as shown in the Bond Register, shall receive a Refunding Bond evidencing the obligation of the District to make payments of Principal and interest on the Refunding Bonds. Upon delivery by the Depository to the Paying Agent, and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word "Nominee" in this Resolution shall refer to such substitute nominee of the Depository.

(ii) In order to qualify the Refunding Bonds for the Depository's book-entry system, the District has executed and delivered to the Depository a Representation Letter. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section or in any other way impose upon the District any obligation whatsoever with respect to persons having interests in the Refunding Bonds other than the Owners of the Refunding Bonds, as shown on the Bond Register. In addition, to the execution and delivery of the Representation Letter,

the District shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Refunding Bonds for the Depository's book-entry program.

(iii) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the Refunding Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the District within 90 days after the District receives notice or become aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall issue certificated securities representing the Refunding Bonds as provided below. In addition, the District may determine at any time that the Refunding Bonds shall no longer be represented by book-entry securities and that the provisions of subsection (a) hereof shall no longer apply to the Refunding Bonds. In any such event, the District shall execute and deliver certificates representing the Refunding Bonds as provided below. Refunding Bonds issued in exchange for book-entry securities pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the District. The District shall deliver such certificated securities representing the Refunding Bonds to the persons in whose names such Bonds are so registered.

If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or cause to be prepared new fully-registered book-entry securities for each of the maturities of the Refunding Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the District and such securities depository and not inconsistent with the terms of this Resolution.

Notwithstanding any other provisions of this Resolution to the contrary, so long as any Refunding Bond is registered in the name of the Nominee, all payments with respect to Principal of, and interest on such Refunding Bond and all notices with respect to such Refunding Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository and acceptable to the District.

(d) The initial Depository under Section 7(c) shall be DTC. The initial Nominee shall be Cede & Co., as Nominee of DTC.

Section 8. Execution of Bonds. The Refunding Bonds shall be signed by the President of the Board of Education of the District and the Clerk of such Board of Education by their manual or facsimile signatures each in their official capacities. In case any one or more of the officers who shall have signed any of the Refunding Bonds shall cease to be such officer before the Refunding Bonds so signed and sealed shall have been issued by the District, such Refunding Bonds may, nevertheless, be issued, as herein provided, as if the persons who signed such Refunding Bonds had not ceased to hold such offices. No Refunding Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Refunding Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Refunding Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

Section 9. Paying Agent; Transfer and Exchange.

(i) Bond Register. So long as any of the Refunding Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Refunding Bonds as provided in this Section. Subject to the provisions below, the person in whose name a Refunding Bond is registered on the Bond Register shall be regarded as the absolute owner of that Refunding Bond for all purposes of this Resolution. Payment of or on account of the Principal of and interest on any Refunding Bond shall be made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Refunding Bonds, including interest, to the extent of the amount or amounts so paid.

(ii) Transfer and Exchange of Bonds. Any Refunding Bond may be exchanged for Refunding Bonds of like tenor, maturity and Transfer Amount upon presentation and surrender at the principal office of the Paying Agent designated for such purpose, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Refunding Bond may be transferred on the Bond Register only upon presentation and surrender of the Refunding Bond at the principal office of the Paying Agent designated for such purpose together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Refunding Bond or Refunding Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Refunding Bond surrendered and bearing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Refunding Bonds only after the new Refunding Bonds are signed by the authorized officers of the District specified in Section 8 above. In all cases of exchanged or transferred Refunding Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Refunding Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Refunding Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Refunding Bonds surrendered upon that exchange or transfer.

Any Refunding Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Refunding Bonds that the District may have acquired in any manner whatsoever, and those Refunding Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Refunding Bonds shall be made to the District by the Paying Agent at least twice each calendar year. The cancelled Refunding Bonds shall be retained for a period of time and then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Refunding Bonds during a period beginning with the opening of business on the 15th business day

next preceding any date of selection of Refunding Bonds to be redeemed and ending with the close of business on the day on which the applicable notice of redemption is given or (b) to transfer any Refunding Bonds which have been selected or called for redemption in whole or in part.

In case any Refunding Bond secured hereby shall become mutilated or destroyed, stolen or lost, the Paying Agent shall cause to be executed and authenticated a new Refunding Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Refunding Bond or in lieu of and in substitution for such Refunding Bond mutilated, destroyed, stolen or lost, upon the Owner's paying the reasonable expenses and charges in connection therewith, and, in the case of a Refunding Bond destroyed, stolen or lost, such Owner's filing with the Paying Agent and the District of evidence satisfactory to them that such Refunding Bond was destroyed, stolen or lost, and/or such Owner's ownership thereof in furnishing the Paying Agent and District with indemnity satisfactory to each of them.

Any new Refunding Bonds issued pursuant to this Section 9 in substitution for Refunding Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Refunding Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Refunding Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Refunding Bonds.

Section 10. Payment. Payment of interest on any Refunding Bond on any Bond Payment Date shall be made to the person appearing on the Bond Register as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate Principal Amount of \$1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The Principal, and redemption premiums, if any, payable on the Refunding Bonds shall be payable upon maturity or redemption upon surrender at the designated office of the Paying Agent. The interest, Principal and redemption premiums, if any, on the Refunding Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Refunding Bonds when duly presented for payment at maturity, and to cancel all Refunding Bonds upon payment thereof.

Section 11. Form of Refunding Bonds. The Refunding Bonds shall be in substantially the following form, allowing those officials executing the Refunding Bonds to make the insertions and deletions necessary to conform the Refunding Bonds to this Resolution or the Purchase Contract and the Official Statement for each series of Refunding Bonds and to correct any defect inconsistent or provision therein or to cure any ambiguity or omission therein.

(Form of Face of Refunding Bond)

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REGISTERED
NO.

REGISTERED
\$

EL SEGUNDO UNIFIED SCHOOL DISTRICT
(COUNTY OF LOS ANGELES, CALIFORNIA)
2012 GENERAL OBLIGATION REFUNDING BOND
SERIES _ [(FEDERALLY TAXABLE)] [(TAX-EXEMPT)]

INTEREST RATE: MATURITY DATE: DATED AS OF: CUSIP:
_____ % _____, _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The El Segundo Unified School District (the "District") in County of Los Angeles, California (the "County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on _____ 1 and _____ 1 of each year (the "Bond Payment Dates"), commencing _____ 1, 2013. This bond is a bond of the District and will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before _____ 15, 2013, in which event it shall bear interest from the Date of Issuance. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the register (the "Register") maintained by the Treasurer and Tax Collector of the County and its agent bank, U.S. Bank National Association (the "Paying Agent"). Principal is payable upon presentation and surrender of this bond at the designated office of the Paying Agent. Interest is payable by check mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). An Owner of Refunding Bonds (defined below) in the aggregate principal amount of

\$1,000,000 or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of bonds issued by the El Segundo Unified School District pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act") in the principal amount of \$_____ for the purpose of refunding all of the outstanding El Segundo Unified School District (Los Angeles County, California) General Obligation [Refunding] Bonds, [Election of 1997], [Series 2004] (the "Refunding Bonds"), and to pay all necessary legal, financial, and contingent costs in connection therewith. The Refunding Bonds are being issued under authority of and pursuant to the Act, the laws of the State of California, and the resolution of the Board of Education of the District adopted on October 23, 2012 (the "Bond Resolution"). This bond and the issue of which this bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The Refunding Bonds of this issue are general obligation bonds of the District. The Refunding Bonds will be secured by the *ad valorem* taxes on a parity with the other general obligation bonds of the District that remain outstanding.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 15th business day next preceding any date of selection of bonds to be redeemed and ending with the close of business on the day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The Refunding Bonds maturing on or before _____ 1, 20__, are not subject to redemption prior to their maturity dates. The Refunding Bonds maturing on or after _____ 1, 20__, may be redeemed before maturity at the option of the District, from any source of funds, on any date on or after _____ 1, 20__, as a whole or in part from such maturities as are selected by the District and by lot within a maturity. For the purposes of such selection, Refunding Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. The Refunding Bonds called prior to maturity will be redeemed at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium.

The Refunding Bonds maturing on _____ 1, 20__ are subject to redemption prior to maturity from mandatory sinking fund payments on _____ 1 of each year, on and after _____ 1, 20__, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such Refunding Bonds to be so redeemed and the dates therefor and the final principal payment date are as indicated in the following table:

***Redemption Date
(August 1)***

Principal Amount

(1)

\$

\$

(1) Maturity.]

Whenever provision is made in accordance with the District Resolution for the optional redemption of Refunding Bonds and less than all Outstanding Refunding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Refunding Bonds for redemption as so directed by the District and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Refunding Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Refunding Bond to be redeemed in part shall be in an amount equal to \$5,000 or any integral multiple thereof.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Refunding Bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Refunding Bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Refunding Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Refunding Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Refunding Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest on the Refunding Bonds when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution (described below) until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the El Segundo Unified School District, County of Los Angeles, California, has caused this bond to be executed by the manual or facsimile signature of the President of the Board of Education of the District and to be countersigned by manual or facsimile signature of the Clerk of the Board of Education of the District, all as of the date stated above.

EL SEGUNDO UNIFIED SCHOOL
DISTRICT

By: 
President of the Board of Education

COUNTERSIGNED:


Clerk of the Board of Education

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the District Resolution referred to herein which has been authenticated and registered on _____, 2012.

TREASURER AND TAX COLLECTOR OF LOS
ANGELES COUNTY

By: U.S. BANK NATIONAL ASSOCIATION, as
Agent

By: _____
Authorized Signatory

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

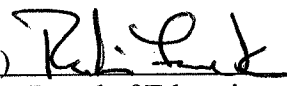
Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile)


Clerk of the Board of Education

* * * * *

Section 12. Delivery of Refunding Bonds. The proper officials of the District shall cause the Refunding Bonds to be prepared and, following their sale, shall have the Refunding Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Refunding Bonds, to the Underwriter upon payment of the purchase price therefor in immediately available funds.

Section 13. Application of Proceeds of Refunding Bonds. A portion of the proceeds from the sale of each series of the Refunding Bonds received by the District shall be transferred to the Escrow Bank in an amount sufficient to purchase any Federal Securities and make any cash deposit necessary to refund the Refunded Bonds, all as set forth in a certificate of an Authorized Officer. Such proceeds may be deposited in the Escrow Fund established under one or more Escrow Agreements. Proceeds of the sale of the Refunding Bonds necessary to pay all costs of issuing the Refunding Bonds not being paid by the Underwriter shall be deposited in the fund of the District known as the "El Segundo Unified School District 2012 Refunding Bond Cost of Issuance Fund" and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying costs of issuance of the Refunding Bonds. Alternatively, any Authorized Officer of the District may provide for the Underwriter to wire a portion of the proceeds of the Refunding Bonds to the COI Custodian and such Authorized Officer of the District is authorized to enter into a written agreement with the COI Custodian setting forth the terms for the payment of Costs of Issuance.

Any accrued interest received by the District from the sale of the Refunding Bonds shall be kept separate and apart in the fund hereby created and established and to be designated as the "El Segundo Unified School District 2012 General Obligation Refunding Bond Debt Service Fund" (the "Debt Service Fund") for the Refunding Bonds and used only for payments of principal and interest on the Refunding Bonds. The Debt Service Fund shall be established and held by the County in accordance with California Education Code Section 15251. Any excess proceeds of the Refunding Bonds not needed for the authorized purposes set forth herein for which the Refunding Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of principal and interest on the Refunding Bonds. If, after payment in full of the Refunding Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

Money on deposit in the debt service funds established for the Refunded Bonds collected to make the debt service payments on the Refunded Bonds may either be used to pay the interest or principal due on the Refunded Bonds, may be transferred to any Escrow Fund and applied as set forth in the applicable Escrow Agreement or may be used to pay principal and interest due, if any, on the Refunding Bonds.

Notwithstanding any of the foregoing, the provisions of this Section 13 as they relate to the dispersal and allocation of moneys on deposit in the debt service funds established for the Refunded Bonds and the provisions of this Section 13 as they relate to the application of any proceeds from the sale of the Refunding Bonds may be amended by the Purchase Contract so long as the transactions contemplated by such amendment are in compliance with the provisions of the Act.

Except as required below to satisfy the requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"), interest earned on the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay principal and interest on the Refunding Bonds when due.

Section 14. Rebate Fund.

(a) General. This Section 14 shall apply only to each series of Tax-Exempt Bonds. There shall be created and established a special fund designated the "El Segundo Unified School District 2012 Refunding Bond Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations promulgated thereunder (the "Rebate Regulations"). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section, Section 16 and each Tax Certificate to be executed by the District.

(b) Deposits.

(i) Within forty-five (45) days of the end of each fifth year ending August 1 (or such other date as is referred to in a Tax Certificate) (each, a "Bond Year"), (1) the District shall calculate or cause to be calculated with respect to each series of Tax-Exempt Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Rebate Regulations, using as the "computation date" for this purpose the end of such five Bond Years, and (2) the District shall cause to be deposited to the Rebate Fund from deposits from the District or from amounts on deposit in the other funds established hereunder, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the "rebate amount" so calculated.

(ii) The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) exceeds the "rebate amount" calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section.

(iii) The District shall not be required to calculate the "rebate amount" and the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Refunding Bonds (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to pay rebate pursuant to whichever of said sections is applicable, or (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of

arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a "bona fide debt service fund." In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Withdrawal Following Payment of Refunding Bonds. Any funds remaining in the Rebate Fund after payment of all of the Tax-Exempt Bonds and any amounts described in subsection (d) of this Section, or provision having been made therefor satisfactory to the District, shall be remitted to the District.

(d) Withdrawal for Payment of Rebate. Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the "rebate amount" and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(i) not later than sixty (60) days after the end of (i) the fifth (5th) Bond Year, and (ii) each fifth (5th) Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the "rebate amount" calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Rebate Regulations; and

(ii) not later than sixty (60) days after the payment of all Refunding Bonds, an amount equal to one hundred percent (100%) of the "rebate amount" calculated as of the date of such payment (and any income attributable to the "rebate amount" determined to be due and payable) in accordance with Section 1.148-3 of the Rebate Regulations.

(e) Deficiencies in the Rebate Fund. In the event that, prior to the time of any payment required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Rebate Payments. Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.

(g) Withdrawal of Excess Amounts in the Rebate Fund. In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the "rebate amount" calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) Records. The District shall retain records of all determinations made hereunder until six years after the retirement of all Tax-Exempt Bonds.

(i) Survival of Defeasance. Notwithstanding anything in this Resolution to the contrary, the District's obligations to pay the "rebate amount" shall survive the payment in full or defeasance of all Refunding Bonds.

(j) Modification. Notwithstanding the foregoing provisions of this Section 14, to the extent that any provision of this Section 14 is inconsistent with the Tax Certificate, the provisions of the Tax Certificate shall govern. The District shall comply with all provisions of each Tax Certificate. The District need not comply with any provision of this Section 14 if it delivers to the Paying Agent an opinion of nationally recognized bond counsel to the effect that such noncompliance will not adversely affect the exclusion from gross income of interest on any Tax-Exempt Bonds.

Section 15. Security for the Refunding Bonds. The Refunding Bonds are general obligation bonds of the District. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Refunding Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Refunding Bonds when due, which monies when collected will be placed in the Debt Service Fund of the District, which *ad valorem* taxes, together with the amounts on deposit in the Debt Service Fund, are irrevocably pledged for the payment of the Principal of and interest on the Refunding Bonds when and as the same fall due. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* tax and to cause the proceeds from such levy to be deposited in the Debt Service Fund to pay the Principal of and interest on the Refunding Bonds when and as the same fall due.

Section 16. Tax Covenants.

(a) The District covenants for and on behalf of the Owners of any Tax-Exempt Bonds that it shall not take any action, or fail to take any action if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on any Tax-Exempt Bonds under Section 103 of the Code.

(b) The District covenants to restrict the use of the proceeds of the Refunding Bonds in such manner and to such extent, if any, as may be necessary, so that any Tax-Exempt Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that Section or any predecessor section.

Section 17. Conditions Precedent. This Board determines that all acts and conditions necessary to have been met precedent to and in the issuing of the Refunding Bonds in order to make them legal, valid and binding general obligation bonds of the District have been performed and have been met, or will at the time of delivery of the Refunding Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Refunding Bonds. Furthermore, the Board finds and determines pursuant to Section 53552 of the Act that the prudent management of the fiscal affairs of the District requires that it issue the Refunding Bonds without submitting the question of the issuance of the Refunding Bonds to a vote of the qualified electors of the District.

Section 18. Insurance. Each of the Authorized Officers, acting alone, is hereby authorized to enter into negotiations to procure bond insurance for the Refunding Bonds and to purchase bond insurance if it will result in net debt service savings to the District. In the event the District purchases bond insurance for the Refunding Bonds, and to the extent that the Bond Insurer makes payment of the Principal or interest on the Refunding Bonds, it shall become the owner of such Refunding Bonds with the right to payment of Principal and interest on the Refunding Bonds

with respect to which it has made payment, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Refunding Bonds, and (ii) in the case of subrogation as to claims for past due Principal, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon surrender of the Refunding Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

Section 19. Defeasance. All or any of the Refunding Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing an amount of cash which together with amounts then on deposit in the Debt Service Fund, is sufficient to pay any or all Refunding Bonds Outstanding, including all Principal and interest and premium, if any; or

(b) United States Obligations: by irrevocably depositing in the Debt Service Fund or with an escrow bank selected by the District noncallable United States Obligations (as hereinafter defined) together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys then on deposit in the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge any or all Refunding Bonds (including all Principal and interest represented thereby and redemption premiums, if any) at their maturity or redemption date, as applicable; then, notwithstanding that any Refunding Bonds so defeased shall not have been surrendered for payment, all obligations of the District with respect to the Refunding Bonds so defeased shall cease and terminate, except only the obligation of the District and the Paying Agent to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the owners of such Refunding Bonds not so surrendered and paid all sums due with respect thereto and except for the obligation of the District to comply with the provisions of Sections 14 and 16 hereof.

For purposes of this Section, United States Obligations shall mean direct and general obligations of the United States of America, or obligations that are fully and unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidence of direct ownership or proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States Obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States Obligations; and (c) the underlying United States Obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claims of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated by Standard & Poor's Rating Services and Moody's Investors Service in the same rating category as the underlying United States Obligations (without regard to pluses or minuses within a category).

Section 20. Other Actions, Determinations and Approvals.

(a) Officers of the Board and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Refunding Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby finds and determines that (i) the prudent management of the fiscal affairs of the District requires that it issue the Refunding Bonds and (ii) the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds will be less than the total net interest cost to maturity on the Refunded Bonds being refunded plus the principal amount of the Refunded Bonds being refunded.

(c) The Board anticipates that the Refunded Bonds will be paid on the first day on or after the Date of Issuance for which notice of redemption can be timely given.

(d) The Board hereby appoints U.S. Bank National Association, as escrow bank for the Refunding Bonds and authorizes U.S. Bank National Association to perform the duties of the escrow bank under each Escrow Agreement.

(e) Each of the Authorized Officers, acting alone, is hereby authorized to take any and all actions necessary or desirable to allow the Underwriter to comply with Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended.

(f) The provisions of this Resolution may be amended by the Purchase Contract.

Section 21. Resolution to Treasurer – Tax Collector. Each of the Authorized Officers is hereby directed to provide a certified copy of this Resolution and the debt service schedule for the Refunding Bonds and the Refunded Bonds to the Treasurer-Tax Collector of the County immediately following its adoption.

Section 22. Preliminary Official Statement. The form of the Preliminary Official Statement relating to the Refunding Bonds on file with the Clerk of the Board is hereby approved. The Preliminary Official Statement in substantially said form, with such changes as the Authorized Officers of the District may require or approve, which approval shall be conclusively evidenced by delivery thereof, shall hereinafter be referred to as the "Official Statement." The District is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Refunding Bonds and is directed to deliver copies of any final Official Statement to the Underwriter, in such time and manner as to conform with the requirements of Rule 15c2-12 of the Securities and Exchange Commission. Each of the Authorized Officers, acting alone, is hereby authorized and directed, for and in the name and on behalf of the District, to execute a final Official Statement and all certificates required by Rule 15c2-12 and the Purchase Contract.

Section 23. Continuing Disclosure Certificate and Escrow Agreement. The forms of the Continuing Disclosure Certificate and the Escrow Agreement on file with the Clerk of the Board are hereby approved, and each of the Authorized Officers, acting alone, is authorized and directed, for

and in the name and on behalf of the District, to execute and deliver the Continuing Disclosure Certificate and the Escrow Agreement in substantially said forms, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by one or more of such Authorized Officers.

Section 24. Supplemental Resolutions.

(a) This Resolution, and the rights and obligations of the District and of the Owners of the Refunding Bonds issued hereunder, may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of Owners owning at least 60% in aggregate Bond Obligation of the Outstanding Refunding Bonds, exclusive of Refunding Bonds, if any, owned by the District; provided, however, that no such modification or amendment shall, without the express consent of the Owner of each Refunding Bond affected, reduce the Principal Amount of any Refunding Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

(b) This Resolution, and the rights and obligations of the District and of the Owners of the Refunding Bonds issued hereunder, may be modified or amended at any time by a supplemental resolution adopted by the District without the written consent of the Owners:

(i) To add to the covenants and agreements of the District in this Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(ii) To add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(iii) To confirm as further assurance any pledge under, and the subjection to any lien or pledge created or to be created by, this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;

(iv) To cure any ambiguity, supply any omission, or cure to correct any defect or inconsistent provision in this Resolution; or

(v) To amend or supplement this Resolution in any other respect, provided such supplemental resolution does not adversely affect the interests of the Owners.

(c) Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the Refunding Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to

object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent of either from taking any action pursuant thereto.

Section 25. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Refunding Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the District and the Owners from time to time of the Refunding Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and security of the Owners of any and all of the Refunding Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Refunding Bonds over any other thereof.

Section 26. Unclaimed Moneys. Anything in this Resolution to the contrary notwithstanding, any moneys held by the Paying Agent in trust for the payment and discharge of any of the Refunding Bonds which remain unclaimed for one (1) year after the date when such Refunding Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Paying Agent at such date, or for one (1) year after the date of deposit of such moneys if deposited with the Paying Agent after said date when such Refunding Bonds become due and payable, shall be repaid by the Paying Agent to the District, as its absolute property and free from trust, and the Paying Agent shall thereupon be released and discharged with respect thereto and the owners of such Refunding Bonds shall look only to the District for the payment of such Refunding Bonds; provided, however, that before being required to make such payment to the District, the Paying Agent shall, at the expense of District, cause to be mailed to the Owners of all such Refunding Bonds, at their respective addresses appearing on the registration books, a notice that said moneys remain unclaimed and that, after a date in said notice, which date shall not be less than thirty (30) days after the date of mailing such notice, the balance of such moneys then unclaimed will be returned to the District.

Section 27. Permitted Investments.

(a) All amounts held in the funds and accounts established hereunder and held by the County shall be invested by the Treasurer-Tax Collector of the County in any instrument which is a lawful investment for funds of the District. Unless otherwise instructed by the District in writing, amounts held hereunder shall be invested in the County of Los Angeles Treasurer's Pooled Investment Fund. If invested in other than the Pooled Investment Fund, amounts in the Debt Service Fund shall be invested in investments maturing not later than the date on which such amounts will be needed to pay the Principal of and interest on the Refunding Bonds.

(b) Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account. In computing the amount in any fund or account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

Section 28. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 23rd day of October, 2012.

BOARD OF EDUCATION OF THE EL SEGUNDO
UNIFIED SCHOOL DISTRICT

By: Matthias J. Mathis
President

Attest:

Pauli Lusk
Clerk

COUNTY OF LOS ANGELES

I, Robin K. Funk, do hereby certify that the foregoing is a true and correct copy of Resolution No. 7, which was duly adopted by the Board of Education of the El Segundo Unified School District at meeting thereof held on the 23rd day of October, 2012, and that it was so adopted by the following vote:

AYES: 5

NOES: ~~0~~

ABSENT: 0

ABSTENTIONS: 0

By

Kali Hunt

Clerk